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STATE FOR NEA, NEA/IPA, NEA/PPD

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NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR XXXX
DA WASHDC FOR SASA
JOINT STAFF WASHDC FOR PA
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
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JERUSALEM ALSO ICD
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SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

[1](#)1. Mideast

[1](#)2. US-Israel Relations

Key stories in the media:

Ha'aretz cited the belief of GOI sources that most Security Cabinet members will support increasing financial pressure on the Gaza Strip

during the cabinet's meeting in Jerusalem today, in response to the ongoing rocket fire at Israel. Leading media reported that Defense Minister Ehud Barak ordered the defense establishment to examine "the operational and legal aspects of steps designed to limit Hamas's rule in the Gaza Strip." Ha'aretz reported that Barak told the IDF he wanted to determine the degree to which Israel was obligated to provide services for the Strip. The call to cut off water, electricity, gas and fuel to the Strip is seen as an alternative -- or, if unsuccessful, a prelude -- to a broad IDF incursion into northern Gaza. However, Ha'aretz quoted GOI sources as saying that PM Ehud Olmert was unlikely to authorize an escalation in Israel's military actions in the region. Major media reported that Sderot parents intend to demonstrate outside the Knesset building today.

The Jerusalem Post and Ha'aretz reported that on Tuesday PM Olmert met with the Quartet's Middle East envoy Tony Blair in Jerusalem, and that the two discussed practical steps that would contribute to confidence building between Israel and the Palestinians. Ha'aretz quoted Olmert spokeswoman Miri Eisin as saying after the meeting: "The Prime Minister is willing to take practical [security] steps, but these steps cannot be one-sided." The Jerusalem Post quoted officials in the Prime Minister's Office as saying that Israel is considering the release of some 100 Palestinian prisoners before Ramadan as a goodwill gesture to PA Chairman [President] Mahmoud Abbas, according to the same criteria that governed the release of some 250 prisoners in July.

Israel Radio reported that on Tuesday three IDF soldiers were wounded in Nablus, where the army discovered a weapons lab.

Ha'aretz quoted legal sources as saying on Tuesday that the Winograd Commission's final report on the performance of decision-makers in the Second Lebanon War may be delayed until the spring, following the panel's announcement that it intends to warn officials who may be harmed by its findings. Other leading media published similar reports. The Jerusalem Post quoted Olmert's opponents within his Kadima party as saying that the High Court's decision to require a lengthy legal procedure ahead of the report's release will hasten a split in Kadima.

Leading media (lead story in Maariv) reported that on Tuesday the High Court of Justice ordered the state to redraw, partially dismantle and rebuild a 1.7 kilometer section of the West Bank separation fence, which was built on land belonging to the Palestinian village of Bil'in. For nearly three years, the fence has been the focus of weekly demonstrations at Bil'in, punctuated by violent confrontations between protesters, soldiers and police deployed at the site. Maariv headlined: "Bil'in Residents Beat the IDF."

Under the headline, "Israel Said No to the Americans," Yediot reported that Israel turned down a US suggestion that it resume the security coordination mechanism (DCO) with the PA in various districts of the West Bank. The newspaper reported that US security coordinator in the territories Lt. Gen Keith Dayton had conveyed the proposal to Israel. Yediot also cited the concern of the IDF and the Shin Bet over pressure by the PA to bring all West Bank cities under its control, which would prevent free action and arrests from the IDF in those cities.

Israel Radio quoted former US Consul-General in Jerusalem Edward Abington as saying that Israel has provided the US with selective intelligence on Palestinian groups aided by the Dallas-area Muslim charity Holy Land Foundation for Relief and Development. He testified on Tuesday as the first defense witness for leaders of the foundation.

The Jerusalem Post reported that on Tuesday, at the sixth meeting of the Ankara Forum for Economic Cooperation, plans were unveiled for the establishment of a joint Israel-PA industrial park in the West Bank. The Ankara Forum is a joint imitative between Israel, Turkey, and the PA seeking to foster economic cooperation between Israel and the PA.

Ha'aretz reported that during his visit to Jerusalem on Monday, Austrian Chancellor Alfred Gusenbauer informed FM Tzipi Livni that he was powerless to prevent the private Austrian firm OMV from

supplying natural gas to Iran. OMV intends to sign a Euro 22 million deal by the end of the year and connect Iran to Europe's gas supply through the Nabucco Pipeline.

Israel Radio reported that on Tuesday in Sydney White House Spokeswoman Dana Perino congratulated Lebanese PM Fouad Siniora and the Lebanese Government "on its victory over the terrorist organization Fatah al-Islam in the battle for Nahr al-Bared camp in Northern Lebanon."

The Jerusalem Post quoted the Israel Export and International Cooperation Institute as saying on Tuesday that the weight of Israeli exports in world trade has been gradually declining by some 25 percent over the past six years, despite the fact that shipments of Israel goods and services rose by 36 percent during the same period. The Jerusalem Post also reported that Israel's level of economic freedom fell five places from 39th in 2006 to 44th this year -- in this year's International Economic Freedom Report published on Tuesday by the Jerusalem Institute for Market Studies think-tank.

Ha'aretz and Maariv quoted Interior Minister Meir Sheetrit as saying on Tuesday that Israel intends to grant citizenship to several hundred refugees from Darfur who are currently in the country.

Maariv reported that the Interior Ministry intends to initiate electronic voting during next year's municipal elections.

Maariv reported that on Tuesday 100 bachelor immigrants arrived in Israel on one single flight from the US.

Yediot reported that two sisters aged 14 and 18 will be leaving for New York tonight for a double heart transplant.

11. Mideast:

Summary:

Op-Ed Page Editor Ben-Dror Yemini wrote in the popular, pluralist Maariv: "Some of our fellow Israelis have abducted Zionism and turned it into a brutal enterprise of theft ... and abuse.... The High Court of Justice set a limit to that."
Columnist Michael Freund, who was an assistant to former prime minister Binyamin Netanyahu, wrote in the conservative, independent Jerusalem Post: "The alarm clock is ringing, if only we will hear. Now, more than ever, is the time to get up and put the nightmare of terror, weakness and retreat behind us, once and for all."

Liberal columnist Ariella Ringel-Hoffman wrote in the mass-circulation, pluralist Yediot Aharonot: "We can remember that if there were solutions, they always relied on agreements. And this time it depends on an Israeli-Hamas arrangement."

Block Quotes:

1I. "A Just Zionist Ruling"

Op-Ed Page Editor Ben-Dror Yemini wrote in the popular, pluralist Maariv (9/5): "Some of our fellow Israelis have abducted Zionism and turned it into a brutal enterprise of theft ... and abuse. The story of [the Palestinian village of] Bil'in opposite [the settlement of] Matityahu-East is an example of that bad weed in Zionism. Israel must decide which Zionism it wants: a Zionism that grants a national home and the right of self-determination to the Jewish people within its own state, or a real-estate Zionism that robs the Palestinians. The High Court of Justice set a limit to that. This time ... the court did not rule politically. It ruled legally, despite the fact that the result is political -- and mostly Zionist. But this is humane Zionism -- a Zionism that grants self-determination (to the Jews), not a Zionism that take away self-determination and rights (from the Arabs)."

II. "Stumbling toward Catastrophe"

Columnist Michael Freund, who was an assistant to former prime minister Binyamin Netanyahu, wrote in the conservative, independent Jerusalem Post (9/5): "What has happened to our sense of outrage? In the wake of his meeting with Palestinian Authority Chairman Mahmoud Abbas last week, reports surfaced that Ehud Olmert had discussed wide-ranging concessions such as dividing Jerusalem, uprooting dozens of Jewish communities in Judea and Samaria [i.e. the West Bank] and forgoing Israeli sovereignty on the Temple Mount.

The media even published what was said to be a copy of a two-page document outlining Olmert's willingness to cross the few remaining 'red lines' Israel still has in what is clearly a transparent attempt to salvage his increasingly shaky political career.... The truth is that everything this nation holds dear is coming under attack. Our freedom, our future, our land and our legacy are all being pummeled and no one seems ready to stand up and do anything about it.... Today it is Sderot under fire. But don't be surprised when Kfar Saba, Netanya and even Tel Aviv come under attack. The alarm clock is ringing, if only we will hear. Now, more than ever, is the time to get up and put the nightmare of terror, weakness and retreat behind us, once and for all."

III. "Turn On the Lights"

Liberal columnist Ariella Ringel-Hoffman wrote in the mass-circulation, pluralist Yediot Aharonot (9/5): "I wanted to write that at first glance, [Vice Prime Minister] Haim Ramon's proposal to turn off the lights in Gaza in response to the Qassam rocket fire on Sderot appears logical, but the truth is that even at first glance, it's stupid. And on second glance, even stupider, not to say despicable.... [This means that] we will do whatever else we can do to the 1.5 million people there -- starved, exhausted, battered and bruised. And there is another contrivance, the Judgment Day one: going into Gaza, with great force.... A wonderful proposal after the great success of the Second Lebanon War.... So what is left? We can continue to play with Abu Mazen, the new Barbie doll that Olmert arranged for himself for the end-of-summer playtime. Not only is this man lacking any real influence, he will also never reach a real arrangement that does not ensure the right of return, which is the main difference that no talk about a 'peace of the brave' will make up for. I understand you, he says, but you cannot rob the Palestinians of their dreams.... We can remember that if there were solutions, they always relied on agreements. And this time it depends on an Israeli-Hamas arrangement -- with the elected Palestinian government.... Secretly, and explicitly, Israel must] be ready to talk to anyone on any subject.... Today. Tomorrow it will cost more. In short, turn on the lights."

12. US-Israel Relations:

Summary:

Washington correspondent Shmuel Rosner wrote in the independent, left-leaning Ha'aretz: "Even candidates like [Mike] Huckabee and his ilk -- less well known, more cautious about exactly defining their plans -- can favorably surprise Israel."

Block Quotes:

"From Arkansas to Jerusalem"

Washington correspondent Shmuel Rosner wrote in the independent, left-leaning Ha'aretz (9/5): "An Israeli following the complicated maneuverings of the longest election campaign in the history of the US searches for signs predicting the future policies of someone who has not yet been elected. All the candidates swear their allegiance to Israel, so that an obvious advantage is held by those who have already been there and proven that their heart is on the right side.

This is true of Rudy Giuliani, the Republican former mayor of New York, who is not afraid of individually displaying his completely hawkish pro-Israel world view. Those who like it, can like it -- those who do not, can vote for Clinton. Her advantage, in the eyes of many of Israel's supporters, will obviously remain firm also in the wake of the new election speech she launched in New Hampshire,

at the beginning of the week, whose aim was to present her as an agent of political 'realism.' This is the magic formula that served Republicans in the past.... [Republican candidate Mike] Huckabee has already visited Israel nine times, eight times more than Bush. His Internet site has three chapters devoted to foreign policy: terror, Iraq and Israel; he promises that Israel 'will have access to the state-of-the art weapons and technology that it needs to defend itself.' At all events, it is difficult to contradict what a fan of Huckabee's, but also of Israel's, pointed out -- that four out of the last five U.S. presidents (Bush Sr., Clinton, Reagan, Carter) were elected to the post when they lacked any experience in carrying out foreign policy and dealing with international crises. They proved that even candidates like Huckabee and his ilk -- less well known, more cautious about exactly defining their plans -- can favorably surprise Israel."

JONES